

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814

**REASON FOR THIS TRANSMITTAL**

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

April 7, 2008

COUNTY FISCAL LETTER NO. 07/08-48

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE FISCAL OFFICERS
ALL COUNTY CWS/CMS SINGLE POINTS OF CONTACT
ALL COUNTY TECHNICAL CONTACTS

SUBJECT: CHILD WELFARE SERVICES ELECTRONIC DATA PROCESSING
COUNTY ANNUAL PLANNING ESTIMATES

REFERENCE: CFL No. 04/05-07, Dated August 6, 2004
CFL No. 05/06-15, Dated August 8, 2005
CFL No. 05/06-47, Dated May 4, 2006
CFL No. 06/07-21, Dated January 30, 2007

The purpose of this County Fiscal Letter (CFL) is to inform the counties of their responsibilities relative to the Child Welfare Services (CWS) Electronic Data Processing (EDP) County Annual Planning Estimates (CAPE) report. The processes described herein supersede those of CFL No. 06/07-21 CWS EDP CAPE issued on January 30, 2007. All 58 counties must complete the 2008 CWS EDP CAPE as it is the only source of information available to the Office of Systems Integration, Child Welfare Services/Case Management System (CWS/CMS) Project Office to complete the State of California's annual Advance Planning Document Update (APDU). The California Department of Social Services (CDSS) must submit the state's Annual APDU to the Federal Administration for Children and Families annually to maintain Federal Financial Participation (FFP).

CAPE Instructions

Federal regulations require the state to monitor and account for all county EDP expenditures and procurements as a condition of eligibility for FFP. In connection with this responsibility, the state now requires all counties to annually report two fiscal years

of CWS-related EDP planned activities and estimated expenditures in the CAPE application. The 2008 CAPE is intended to capture all county level estimated EDP related expenditures to support CWS/CMS maintenance and operation activities for State Fiscal Years (SFY) 2008-09 and 2009-10. The 2008 web-based CAPE application will be available in early April 2008 through May 30, 2008, for counties to build and submit their EDP annual planning estimate. Counties are instructed to electronically submit their estimated expenditures using the web-based CAPE application located on the CWS/CMS website <http://www.hwcws.cahwnet.gov/>.

Counties must estimate project costs as close to anticipated expenditures as possible. The development of this information must be coordinated among the county's CWS program, fiscal, procurement, and information technology staffs. The 2008 CAPE should be a guide to the counties for building their Advance Planning Documents (APDs).

CAPE Training

To provide counties with information on this electronic process, an updated 2008 CAPE Desk Guide will be available at the CWS/CMS website in early April 2008. As the web-based 2008 CAPE application is the same as the 2007 application. Training will not be provided this year. Counties are encouraged to contact their Office of Systems Integration CWS/CMS System Support Consultant (SSC) to answer CAPE related questions. The SSC information is located on the CWS/CMS website at: www.hwcws.cahwnet.gov/CountyInfo/ContactList/SSClist.asp.

CAPE Requirements

The CAPE will provide estimated expenditures for two SFYs (updated 2008-09 estimates and new estimates for SFY 2009-10). County estimates reported in the 2007 CAPE for SFY 2008-09 will appear in the 2008 CAPE, but must be modified to reflect current status.

Counties are required to report the following in their 2008 CAPE:

- All CWS-related EDP estimated expenditures for SFYs 2008-09 and 2009-10, regardless of the cost.
- All CWS related EDP estimated expenditures for all CWS/CMS and Non-CWS/CMS (previously referred to as SACWIS/Non-SACWIS).
- Central Service Costs (allocated or billed) for services provided to CWS by a governmental unit on a centralized basis to its departments and agencies.

When completing the CAPE, the CDSS strongly suggests that the counties refer to CFL 03/04-27, dated October 17, 2003, as a guideline to assist in determining CWS/CMS and Non-CWS/CMS eligible expenditures. The claiming instructions provided in CFL 03/04-27 are now obsolete. Counties must now use the methodology outlined in CFL 06/07-36 for claiming CWS/CMS and Non-CWS/CMS Maintenance and Operations (M&O) costs. The current federally approved CWS/CMS percentages are located in CFL 07/08-35. As a reminder the federally approved CWS/CMS percentages change annually.

It is also recommended that counties take note of California's 2007-08 Final Budget Summary, Chapter 171/172, Section 8.50 (a). Released by the Department of Finance, the budget summary documents the intention of the Legislature that agencies applying for federal funds will maximize all federal funds available.

Also, the Federal Administration for Children and Families Program Instruction 01-05 states, *"The regulations at 45 Code of Federal Regulations (CFR) 1355.57(b) specify that the cost allocation methodology must be in accordance with the regulations at 45 CFR 95.631 (benefiting program concept) to the extent that a State's SACWIS¹ includes functions, processing, information collection and management, equipment or services that are not directly related to the administration of the programs carried out under title IV-B or IV-E."*²

In addition, the approved 2004-05 Cost Allocation Plan states, *"Federal regulations, 45 CFR Part 95.631(a), and Part 45 CFR 1355.50-1355.57 requires the cost incurred for the operations of an EDP system be identified and assigned by the State agency to the funding sources in accordance with the approved cost allocation plan required by Subpart E of the same part. Federal regulations specifically identified in 45, Part 1355.50 reference SACWIS cost distribution requirements. Accordingly, Maintenance M&O costs are distributed to the benefiting programs using the individual caseworker time study hours, or observations, of the Social Services, CalWORKS, Other Public Welfare Programs, Child Care, Non-Welfare and Generic functions. However, prior to this distribution process, M&O costs are first directly identified to the project and then to the benefiting function(s) or program level. Maintenance and Operation costs for any system developed and operated to benefit a single program will be charged only to that benefiting program."*³

¹Statewide Automated Child Welfare Information System (SACWIS) is currently referred to by the state as CWS/CMS.

² www.acf.hhs.gov/programs/cb/laws_policies/policy/pi/2001/pi0105.htm

³ www.dss.cahwnet.gov/cdssweb/entres/pdf/CWD_CAP.pdf

Therefore, the state requires counties to properly identify all CWS/CMS expenditures that are eligible for FFP at the rates allowed in the federally approved cost allocation methodology. Additionally, all APD projects/activities claiming County only funds must remain consistent with the previously claimed funds. For all other previous APD projects/activities, if the request is CWS/CMS eligible then the request must follow CWS/CMS guidelines, even if the previous request was claimed as Non-CWS/CMS.

www.dss.cahwnet.gov/lettersnotices/entres/getinfo/cfl06/pdf/06-07_36.pdf

For the 2007 CAPE, the state used the county allocations for CWS System Support Staff. Allocation amounts will again be used to report CWS System Support Staff planned expenditures for the 2008 Annual APDU. Counties do not need to report these costs in their 2008 CAPE.

Questions regarding the 2008 CAPE may be directed to Cheryl Jones of the CWS/CMS Project Office at (916) 263-1104. Questions regarding claiming or cost allocation may be directed to the CDSS Fiscal Systems Bureau at Fiscal.Systems@dss.ca.gov. The acceptance of the 2008 CAPE information by CDSS does not constitute a federal or state commitment to funds or approve the proposed activities. Funding for planned activities is subject to availability of state and federal funds as well as state and federal approval via the APD process.

Sincerely,

**ORIGINAL DOCUMENT
SIGNED BY**

ERIC FUJII
Deputy Director
Administration Division

**ORIGINAL DOCUMENT
SIGNED BY**

GREGORY E. ROSE
Acting Deputy Director
Children and Family Services Division

c: CWDA